6
Strategic Leaders’ Perceptions of the Strategy Formulation Process

6.1 Introduction

Strategy formation is the responsibility of those at the top of an organisation. These executives are in a leadership position, so strategy decision is vested in those who lead. This chapter delves deeper into the topic of leadership by considering the relevant literature, and how it relates to the evidence previously discussed in Chapter 5. Leadership is itself a process and has various attributes that can be investigated, but here consideration will be limited to those aspects that bear upon the research question. First, though, the nature of the phenomenon is considered.

6.2 The nature of leadership

The term ‘leadership’ is in everyday usage and yet it has proved to be difficult to define. Stogdill (1950) in Bryman (1996, p. 276) offered:

Leadership may be considered as the process (act) of influencing the activities of an organized group in its efforts toward goal setting and goal achievement.

In the view of Dixon (1976, p. 214):

leadership is no more than exercising such an influence upon others that they tend to act in concert towards achieving a goal which they might not have achieved so readily had they been left to their own devices.
The US Army’s definition (Elton, 1987, p. 2) was:

To achieve understanding and commitment of subordinates for the accomplishment of purposes, goals and objectives envisioned by the leader, beyond that which is possible through the use of authority alone.

Lenz (1993, p. 172) particularised his definition to executive leadership:

Executive leadership is described as the exercise of influence by senior-level managers within inter and intraorganizational decision-making processes with the intent of effecting strategic change.

Essentially, leadership is practised through the consent of those being led, and seeks to influence the behaviour of the group towards a particular end.

Studies of leadership have tried to determine whether effectiveness in leadership is attributable to the traits of the individual, the style of the individual, situational factors (that is, contingencies), or how well the leader articulates a vision of the organisation’s mission and its values. The obvious conclusion is that all of these are important in differing proportions that are case-dependent. Zaleznik’s (1970, p. 59) view was that: it is . . . their [that is, business executives’] ability to define problems worthy of thought and action and to use their organisation to evolve solutions which characterise their style’.

One limitation of the ‘trait’ approach is the possible implication that leaders are born, not made, which may have been a view held in earlier times when tenure of positions of authority was largely the domain of the upper classes in society, but which now has been shown to be, at the very least, dubious. Considerable efforts are made by the armed forces to train leaders and to improve their performance (discussed further in Chapter 7) and selection for this training is not done predominantly on a class basis, although some vestiges remain. On the other hand, it is likely that not everyone has the special attributes necessary to become a ‘great’ leader. Whether these special traits are inborn or developed through upbringing, education or special application by the individual is uncertain.

Leadership is not practised in the same manner at all levels of the organisation because the task becomes more complex as the individual reaches higher levels of authority and responsibility. Thus the CEO is less concerned with ‘managerial’ issues and the ‘here and now’ than